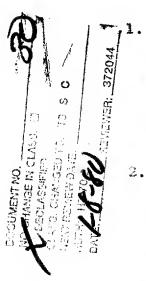
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WESTERN PROSPECTS IMPROVE IN IRAQ

- I. Strong pro-Western Iraqi government likely soon to replace caretaker cabinet under Prime Minister Umari.
 - A. This results from recent accord between two strongest Iraqi leaders.



- Nuri Said -- new willing to co-operate in forming a government despite fact his Constitutional Union Party only won plurality in 9 June elections.
- 2. Crown Prince Abdul Ilah -- chief adviser to young/Prince,
 who wields influence among parliamentary independents,
 made trip to Europe to see Nuri.
- 8. Coalition government to be set up under Muri or his nominee.
 - 1. Will contain five or six members of Nuri's party, and three of four independents.
 - 2. Because of Nuri's bitter opposition, Foreign Minister

 Jamali, who negotiated US arms aid agreement, will not be
 incabinet. May become ambassador to US.
 - 3. Cabinet expected to take office after 29 July, when Nuri
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SECRET

II. Conservative pro-Vestern coalition

- A. Would give strength and sjability to Iraqi government. However, social and economic reforms pushed by Jamali when prime minister are falling by the wayside.
- B. Will prove receptive to Turkish-Pakistani approaches, although experienced Muri will be a hard bargainer and will not proceed faster than the popular mood permits.
- C. Iraqi extremists and Communists will bitterly oppose any amberence to pact, but government should be able to control the situation.

Population J. 1 million Baghdad 500,000

Oil perduction 18.1 million forms /1952 Kinkuka
24.3 million forms/53

Oil royaltes X 23 million 1952

Constitutional monarchy

Chamber of Deputers-138 member - 4 yrs - elected

Denate -29- 8 yrs - nominated by King

Praime Memster - appointed by King